

Date Mailed March 31, 1998
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BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Wisconsin Electric Power Company, as a Gas  
Public Utility, for Authority to Construct Facilities and Provide  
Natural Gas Service in the Village of Nichols and the Town of  
Cicero, Outagamie County, and the Towns of Lessor and Navarino,  
Shawano County, Wisconsin

6630-CG-103

Application of Wisconsin Public Service Corporation as a Gas  
Public Utility, for Authority to Construct Facilities and Provide  
Natural Gas Service in the Village of Nichols and the Towns of  
Cicero and Seymour, Outagamie County, and the Towns of Lessor,  
Maple Grove and Navarino, Shawano County, Wisconsin

6690-CG-141

**NOTICE OF HEARING**

**Hearing:**

**April 28, 1998, 1:30 p.m. and 7:00 p.m.  
Village of Nichols Community Center  
N9065 Krull Road  
Nichols, WI**

Wisconsin Electric Power Company (WE), as a gas public utility, filed an application with the Commission on August 4, 1997, for authority under s. 196.49, Stats., and Chapter PSC 133, Wis. Adm. Code, to construct facilities and provide natural gas service in the Town of Cicero, Outagamie County, and the Towns of Lessor and Navarino, Shawano County, Wisconsin. By letter dated November 6, 1997, WE clarified its original application to include authority to construct facilities and provide natural gas service in the Village of Nichols, Outagamie County, Wisconsin.

Wisconsin Public Service Corporation (WPS), as a gas public utility, filed an application with the Commission on October 3, 1997, for authority under s. 196.49, Stats., and Chapter PSC 133, Wis. Adm. Code, to construct facilities and provide natural gas service in the Towns of Cicero and Seymour, Outagamie County, and the Towns of Lessor, Maple Grove, and Navarino, Shawano County, Wisconsin. By letter dated November 4, 1997, WPS clarified its original application

to include authority to construct facilities and provide natural gas service in the Village of Nichols, Outagamie County, Wisconsin.

Presently, Wisconsin Gas Company (WGC) has Commission authorization to, and currently provides natural gas service in, the Town of Seymour, Outagamie County, and the Town of Maple Grove, Shawano County, Wisconsin. The Commission will consider the WPS application for authority to construct facilities and provide natural gas service in the Town of Seymour, Outagamie County, and the Town of Maple Grove, Shawano County, Wisconsin, under s. 196.50, Stats., and Chapter PSC 133, Wis. Adm. Code.

WE is a Wisconsin public utility providing service to approximately 367,000 natural gas customers in eight southeastern Wisconsin counties, portions of Crawford County in southwestern Wisconsin, and portions of Calumet, Winnebago, and Outagamie Counties in the Fox River Valley area.

WPS is a Wisconsin public utility providing service to approximately 207,000 natural gas customers in seventeen northeastern Wisconsin counties, including portions of Calumet, Winnebago, and Outagamie Counties in the Fox River Valley area.

The applications of WE and WPS request authority to provide natural gas service to overlapping areas. The Commission is considering the applications jointly, as the approval of one applicant's application would affect the feasibility of the other applicant's application.

No public utility is currently authorized to provide natural gas service in the Village of Nichols or the Town of Cicero, Outagamie County, or in the Towns of Lessor or Navarino, Shawano County. WGC is authorized and currently provides natural gas service in the Town of Seymour, Outagamie County, (order CA-4252, dated September 24, 1963) and in the Town of Maple Grove, Shawano County, (order CA-4529, dated August 18, 1965). WPS states WGC has agreed to amend an existing Service Territory Boundary Agreement between WPS and WGC covering the Towns of Seymour and Maple Grove to allow WPS to construct facilities and provide natural gas service in portions of the Town of Seymour, Outagamie County, and the Town of Maple Grove, Shawano County, Wisconsin.

WE proposes to install approximately 17.2 miles of plastic (PE) gas main in the Village of Nichols and the Towns of Cicero and Black Creek, Outagamie County, and the Towns of Lessor and Navarino, Shawano County, and to make service available to approximately 269 potential residential and commercial customers. WE estimates the first year gross cost of the project to be \$633,601. WE has proposed a customer surcharge for this project.

WE's proposed project includes the construction of a new gate station on the ANR Pipeline Company's gas transmission pipeline located in the Town of Black Creek, Outagamie County. WGC is

authorized by Commission order CA-4868, dated December 29, 1967, and currently provides natural gas service in the Town of Black Creek, Outagamie County. WE has not requested authority to provide service to customers along the proposed facilities in the Town of Black Creek.

WE states its project will begin at the proposed gate station on Adolph Road in the Town of Black Creek, Outagamie County. A 4-inch PE main will extend from the gate station to the north into the Town of Cicero along CTH X approximately 1.7 miles to CTH G, and then west along CTH G approximately 3.5 miles to STH 47. The 4-inch PE main will continue northward along STH 47 and Old Highway 47 approximately 3.2 miles to East Nichols Road and then west along East Nichols Road approximately 1.0 mile to the intersection of STH 47 and STH 168. From this intersection, one 4-inch PE main will extend west along STH 168 approximately 0.7 mile to the Village of Nichols. Another 4-inch PE main will extend north along STH 47 approximately 3.0 miles into the Town of Lessor, Shawano County, and then west along STH 156 approximately 1.3 miles where it will reduce in size to a 2-inch PE main. The 2-inch PE main will continue west along STH 156 approximately 1.0 mile into the Town of Navarino and the unincorporated area of Navarino. Two-inch PE main will be installed along various streets and roads in the Village of Nichols and in the area of Navarino.

WPS proposes to install approximately 30.5 miles of PE gas main in the Village of Nichols and the Towns of Oneida, Seymour, and Cicero, Outagamie County, the Towns of Lessor, Maple Grove, and Navarino, Shawano County, and the Town of Pittsfield, Brown County. WPS states the proposed facilities will provide the opportunity for over 444 new customers to receive natural gas service. WPS estimates the first year gross cost of the project to be \$973,083. WPS has proposed a customer surcharge for this project.

The project proposed by WPS includes the construction of a new gate station at the site of an existing ANR Pipeline Company metering station located on CTH VV in the Town of Oneida, Outagamie County. Commission order CA-4820, dated November 13, 1967, authorized WPS to provide service in the Town of Oneida, Outagamie County. A 6-inch PE main will proceed north and east along CTH Y to Old STH 29 in the Town of Pittsfield, Brown County. Commission order CA-4475, dated April 27, 1965, authorized WPS to provide service in the Town of Pittsfield, Brown County. From this intersection 2-inch PE main will proceed north along STH 32, with a branch heading to the west on Cottonwood Drive to CTH W, then continuing north on CTH W and a second branch to the east on Kunish West Road. The 6-inch PE main will continue west along Old STH 29 to STH 156 (also known as CTH W) and proceed west along STH 156 in the Town of Maple Grove, Shawano County for approximately 2.2 miles. At this point the main will reduce in size to 4-inch PE main and continue west along STH 156 into the Town of Lessor, Shawano County to the intersection with STH 47. Along this section a

2-inch PE main will extend north along CTH C approximately 0.75 mile and another 2-inch PE main will extend south along CTH X to Cicero Road and East Nichols Road and continue east along Cicero Road approximately 1 mile and a third 2-inch PE main will extend north along Old STH 47 approximately 0.5 mile. The 4-inch PE main continues west along Union Cemetery Road to the intersection with Nichols Road. From this intersection, one 3-inch PE main will extend south along Nichols Road and Krull Road to the Village of Nichols and another 3-inch PE main will proceed north along Nichols Road and then west along STH 156 into the Town of Navarino and the unincorporated area of Navarino. Two-inch PE main will be installed along various streets and roads in the Village of Nichols and in the area of Navarino.

This is a Type III action under s. PSC 4.10 (3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

On January 22, 1998, a prehearing conference was held at the Public Service Commission Building in Madison, Wisconsin. A list of issues and a schedule for the prefilings of testimony and exhibits was developed. Full parties are bound by the issues and the schedule adopted at the prehearing conference.

The following list of issues have been agreed to by all parties involved:

1. Protection and interest of the consumers, not the competing utilities.
2. Nature of changes in the service to be provided.
3. Usefulness of existing facilities.
4. Proximity and economic feasibility of existing and proposed service.
5. Construction requirements, including, for example, convenience and cost.
6. Need and status of regulatory approvals.
7. Annexation of the area, if any.
8. Availability of operations and maintenance personnel.
9. Service extension rules and rates.
10. Promotional services, rebates, and customer financing associated with the projects.

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11. Whether any utility has carried the obligation to serve the area for many years.
12. Environmental implications of each project.
13. Availability of gas capacity and supply.

14. The amended Service Territory Boundary Agreement between WPS and WGC.
  - a) The number of customers that could get transferred from WPS to WGC.
  - b) The cost of WPS facilities potentially transferred to WGC.
  - c) The effect on the economic projections for WPS service if these customers are transferred to WGC.
  - d) The usefulness of the proposed facilities if customers are transferred to WGC.
15. Showing that s. 196.50, Stats. findings can be made, including the necessity and reasonableness of authorizing both WPS and WGC to construct facilities and provide natural gas service in the Town of Maple Grove, Shawano County, Wisconsin.

The following schedule has been agreed to by all parties:

1. Prefiled direct testimony is due in the hands of all parties by 12 noon on Tuesday, March 24, 1998.
2. Rebuttal testimony is due in the hands of all parties by 12 noon on Tuesday, April 7, 1998.
3. Surrebuttal testimony is due in the hands of all parties by 12 noon on Friday, April 17, 1998.

**NOTICE IS GIVEN** that the Commission will hold a hearing on the applications beginning on April 28, 1998, at 1:30 P.M., at the Village of Nichols Community Center, N9065 Krull Road, Nichols, Wisconsin. An evening session will be held on April 28, 1998, beginning at 7:00 PM, at the Village of Nichols Community Center, N9065 Krull Road, Nichols, Wisconsin. If necessary, the hearing will continue at a time to be set at the conclusion of the first day's hearing. The Village of Nichols Community Center is accessible to people in wheelchairs. Any person with a disability who needs additional accommodations should contact Richard Teslaw at (608) 267-9766.

**NOTICE IS FURTHER GIVEN** that this matter is a class 1 proceeding. See s. 227.01(3)(a), Stats.

If there are any general questions regarding this matter, please contact Michael John Jaeger, Natural Gas Division at (608) 267-2564.

Persons who desire to actively participate as full parties must request full party status in writing. Full party status requests should be addressed to John Crosetto, Hearing Examiner, Public Service Commission of Wisconsin, Examining Division, P.O. Box 7854, Madison, Wisconsin 53707-7854.

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If there are any questions regarding full party status requests or the hearing scheduled in this notice, please contact John Crosetto, Examining Division, at (608) 266-7165.

Dated at Madison, Wisconsin, \_\_\_\_\_

For the Commission:

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Lynda L. Dorr  
Secretary to the Commission

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